

# TRANSCRIPTION - ORIGINAL FOLLOWS

28 AUG 1973

Program 437 Cost Reduction Proposal (U)

[1 line illeg]

1. The USAF Program Objective Memorandum (POM) of 75-  
[illeg] proposed the deletion of the Program 437 satellite  
intercept mission during the Fourth Quarter, FY 74.  
[2 lines excised]

This proposed deletion of Program 437 represented an estimated cost savings of [illeg] in FY 75. However, informal discussions between HQ ADC and HQ USAF/[illeg] personnel indicated that the proposed mission deletion [words illeg] reconsidered if alternative means of [words illeg] this saving were recommended. As a result, ADC [illeg] the overall operation of the 10th Aerospace Defense Squadron with a view toward identifying commensurate savings. The following recommended actions would affect an estimated cost saving of \$[illeg].

- a. Reduction of thirty-six (36) manpower authorizations  
[2 lines illeg]

- b. Reduction in Johnston Island Cryogenic Plant cyclic operation. (\$45K - appn 3400)

- c. Reduction of continual rotational TDY maintenance technicians augmented by increased quarterly maintenance deployments. (\$13K - appn 3400)

It must be emphasized that even with these proposed reductions ADC [words excised] maintaining at no additional cost the capability to provide an antisatellite mission in support of the United States defense.

2. (U) These recommended actions are forwarded for your consideration and appropriate action. A prompt favorable consideration will allow ADC to implement the necessary action to effect a change 1 January 1974, thus saving

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28 AUG 1973

RTNCH

Program 437 Cost Reduction Proposal (C)

1. USAR/NOG

1. The USAR Program objective is to provide (C) 73-72 proposal the deletion of the Program 437 satellite intercept mission during the fourth quarter, 1973.

"b1"

This proposal is a result of a decision by Program 437 management to implement cost savings of \$317K in FY 73. However, informal discussions between HQ AMC and USAR/NOG management indicated that the proposed mission deletion would be a significant if not a complete loss of capability. This action would result in a loss of capability to provide the full range of services to the 10th Air Force and its command and control. The following recommended actions would result in an estimated cost saving of \$150K:

a. Reduction of thirty-six (36) manpower and relocation of personnel from the 10th Air Force to the 10th Air Force.

b. Reduction in Johnston Island Cryogenic Plant cyclic generation. (\$45K - appx 3400)

c. Reduction of continual rotational TDY maintenance technicians augmented by increased quarterly maintenance deployments. (\$15K - appx 3400)

It must be emphasized that even with these proposed reductions ADCS "b1" while maintaining at no additional cost the capability to provide an anti-satellite mission in support of the United States defense.

2. (C) These recommended actions are forwarded for your consideration and appropriate action. A prompt favorable consideration will allow AMC to implement the necessary action to effect a change 1 January 1974, thus saving

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P437, SCG, Jan 70

LtCol Picardat/bls 3201 27 Aug 73

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approximately \$170K [words illeg] in FY 74, in addition to the FY 75 saving. ADC has incorporated the proposed [illeg] FY 75 reduction in the FY [illeg] Operating Budget Estimate forwarded on 22 August 1973.

[illeg] to: USAF/[illeg]

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approximately \$170M (\$150M - approx \$300M, \$20M approx \$400M) in  
FY 74, in addition to the FY 73 savings. Also incorporated  
the proposed OY FY 75 reduction in the FY 73 Operating Budget  
Estimate forwarded on 12 August 1973.

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Or to: HQ USAF/PP&C

Mr. Gamm...

  
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